REASONS FOR ALLOWANCE

The following is an examiner's statement of reasons for allowance: JP 2001-214212 does not teach a consumable electrode containing Mg and non-metallic inclusions comprising TiN inclusions, which have a nucleus of MgO and decomposing TiN inclusions and the nucleus of MgO as claimed. JP 2002-161309 (JP '309) teaches a production process for steel with superior cleanliness. Mg is added into the liquid steel to control the conformation of intermediates (abstract). However, JP '309 does not disclose or suggest producing a consumable electrode and then subjecting the consumable electrode to vacuum arc remelting as claimed.

Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

Receipt is acknowledged of papers submitted under 35 U.S.C. 119(a)-(d), which papers have been placed of record in the file.

The declaration under 37 CFR 1.132 filed 20 February 2008 is sufficient to overcome the rejection of claims 1, 2, 5 and 9 based upon the rejection under 35 U.S.C. 103 (a) over JP 2001-214212.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to TIMA M. MCGUTHRY-BANKS whose telephone number is (571)272-2744. The examiner can normally be reached on M-F 7:00 am - 3:30 pm.

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If attempts to reach the examiner by telephone are unsuccessful, the examiner's

supervisor, Roy King can be reached on (571) 272-1244. The fax phone number for the

organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent

Application Information Retrieval (PAIR) system. Status information for published applications

may be obtained from either Private PAIR or Public PAIR. Status information for unpublished

applications is available through Private PAIR only. For more information about the PAIR

system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR

system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would

like assistance from a USPTO Customer Service Representative or access to the automated

information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Roy King/

Supervisory Patent Examiner, Art Unit

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/T. M. M./

Examiner, Art Unit 1793

24 June 2008